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Geof. 2-2  
OGC Has Reviewed

LS 5-2725a

23 January 1956

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Proposed Regulation--Education Allowances

1. This Office concurs in the proposed regulation subject to the inclusion of the following changes, which the Office of Personnel has accepted and has coordinated with the other interested components:

a. The last sentence of paragraph 3a to read as follows:

"All education allowances previously authorized are terminated at the end of the school term or semester current as of the date of publication of this regulation."

b. Paragraph 3b(5) to read as follows:

"Independent contractors shall not be granted education allowances. However, if it is necessary in order to obtain the services of an individual who would be eligible for education grants if he were a staff member and whose services are essential to the successful pursuit of an operational mission, there may be included in the contract by which such services are obtained a provision for compensation additional to basic and other types of compensation. Except in accordance with paragraph 3c below, such additional compensation shall not exceed the appropriate education allowance rate established by the Standardized Regulations."

c. The last sentence of paragraph 3c(3) to read as follows:

"Financial hardship will not be a factor in such cases."

2. The language proposed above for paragraph 3a terminates all education allowances, and the proposed regulation carries authority only with respect to areas outside the continental United States and its territories and possessions. This arrangement thus

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therefore would be in order and FE advises they intend to forward an appropriate letter to you for your approval. In view of the new language for paragraph 3a of the regulation, Mr. Reynolds' comments concerning education allowances [REDACTED] in paragraph 2 of his transmittal memorandum to you are no longer pertinent. Mr. Reynolds also notes that the matter of education travel grants, to be implemented by a new regulation may prove to be temporary since the Overseas Allowances Act "which is due for further consideration in the forthcoming session of Congress," provides authority in this field also. This point would also be correct if the proposed amendment to the CIA Act is enacted and we are excluded from the Overseas Allowance Act.

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3. With reference to Mr. Reynolds' recommendation that the Agency established a policy in favor of paying education travel grants to the extent of present authority, a policy decision by the Director to pay such grants with respect to personnel paid from unvouchered funds would be necessary. There appears to be no authority for a decision to pay grants to other personnel.

[REDACTED]  
Assistant General Counsel

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OGC/RHL:jc

Distribution:

Orig. - Addressee -

1. - Signer

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*Chrono*

*out/s Budget.*